

complaint

Miss K has complained that Hastings Insurance Services Ltd won't refund any of the money she paid for car insurance even though her policy was cancelled from when it started.

background

On 30 October 2013 a policy was applied for online and paid for using Miss K's credit card. The policy was set up by the insurer and Hastings wrote to Miss K at her address on 7 November 2013 asking for a copy of the vehicle registration document (V5), a copy of her driver's licence and proof of her No Claims Bonus (NCB). In response to this, Hastings received the three documents requested.

The first two documents contained Miss K's details and appeared to be authentic. However, the third document - a letter from her previous insurer confirming her NCB - wasn't. Tesco had no record of Miss K being insured by them. Because of this, the insurer voided the policy (so treated it as if it had not existed) from the start and retained the premium of £389.79.

Miss K contacted Hastings to say that she hadn't taken out the policy and that she didn't even own a car. She said that her credit card had been used fraudulently.

Our adjudicator didn't uphold Miss K's complaint. He thought Hastings had acted reasonably, as the insurer had cancelled the policy and kept the premiums.

Miss K disagrees with the adjudicator and so the complaint has been passed to me for a decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Miss K has been in touch with her credit card provider about the online transaction. It won't refund the payment because whoever used the card had access to the correct security information. So there was no evidence that the card had been used fraudulently.

Whoever took out the policy set it up in Miss K's name, using her correct address. The letter that Hastings sent to Miss K asking for documentation was responded to. So there's nothing to suggest that any fraud took place. So I think that Hastings has acted reasonably when it's said it can't do anything about the premium because there's no evidence of the policy being purchased fraudulently.

I can see that Hastings offered to look into this further if Miss K provided more evidence. It also suggested that she might want to speak to the police. I'm not aware that Miss K has done either of these things. She also hasn't explained what she thinks might have happened, who might have used her credit card or who she thinks sent the documents to Hastings.

In any event - it's the insurer who retained the premium, not Hastings, And so it wasn't even Hastings' decision to do this in the first place. So I don't think that Hastings has done anything wrong.

Miss K is unhappy because Hastings did initially say that it would refund the premium. This was a mistake. But I don't think it means Hastings should now return the premium because of it.

my final decision

It follows that I do not uphold Miss K's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss K to accept or reject my decision before 29 June 2015.

Carole Clark
ombudsman